

MSUNDUZI MUNICIPALITY

Private Bag X321
Pietermaritzburg
3200

City Hall
Pietermaritzburg
3200



Enquires: B Nxumalo

Telephone No: 033 3922769

INTERNAL MINUTE

30 June 2017

FROM: GENERAL MANAGER: CORPORATE SERVICES

Enquiries: Ms B Nxumalo

TO: THE CHIEF FINANCIAL OFFICER

Attention: Ms N Ngcobo

Ref: 3.7.1

DRAFT BUDGET AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR 2017/2018 TO 2019/2020

At the Full Council meeting held on 28 June 2017 it was resolved as follows:-

- (a) That the Annual Budget of the Municipality for the financial year 2017/18, multi-year and single-year capital appropriations as set out in Tables A2 – A5 of the budget report be APPROVED, as follows:
 - (i) Budgeted Financial Performance (Revenue and Expenditure by Standard Classification) as contained in Table A2.
 - (ii) Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote) as contained in Table A3.
 - (iii) Budgeted Financial Performance (Revenue by Source and Expenditure by Type) as contained in Table A4; and
 - (iv) Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5.
- (b) That the financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets as set out in Tables A6 – A10 of the budget report be APPROVED, as follows:
 - (i) Budgeted Financial Position as contained in Table A6.
 - (ii) Budgeted Cash Flows as contained in Table A7.
 - (iii) Cash Backed Reserves and Accumulated Surplus Reconciliation as contained in Table A8.

CORPORATE SERVICES BUSINESS UNIT

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- (iv) Asset Management as contained in Table A9; and
 - (v) Basic Service Delivery Measurement as contained in Table A10
 - (vi) Basic Service Delivery Measurement as contained in Table A10.
- (c) That the proposed property rates and taxes imposed for the budget year 2017/2018 be approved as follows:

| Type of property | 2016/2017 Cents in R | 2017/2018 Cents in R | Inc |
|--|-------------------------|-------------------------|------|
| Vacant Land - No rebate granted | 0.0216 | 0.0230 | 6.4% |
| Unauthorised Use (inclusive of surcharges) | 0.0371 | 0.0395 | 6.4% |
| Residential Property | 0.0119 | 0.0127 | 6.4% |
| Commercial Property (Previous Category: Other Property) | 0.0209 | 0.0222 | 6.4% |
| Industrial Property (Previous Category: Other Property) | 0.0209 | 0.0222 | 6.4% |
| Specialised Property (Previous Category: Other Property) | 0.0209 | 0.0222 | 6.4% |
| Agricultural Property | 0.0029 | 0.0031 | 6.4% |
| Public Service Infrastructure | 0.0029 | 0.0031 | 6.4% |
| Rural Communal Property | 0.0162 | 0.0172 | 6.4% |
| Home Business Property | 0.0162 | 0.0172 | 6.4% |
| Sectional Title Garages – Separately Registered | 0.0119 | 0.0127 | 6.4% |
| Mining | 0.0209 | 0.0222 | 6.4% |
| Public Benefit Organisations | 0.0029 | 0.0031 | 6.4% |
| Additional Rebate | 100% | 100% | |
| Multipurpose Property Applicable tariff will be charged in respect of the combination of categories above. | | | |

- (d) That it be noted that in terms of Section 26 and 27 of the Local Government: Municipal Property Rates Act 6 of 2004, the final date by which each monthly instalment is payable, has been fixed as follows:

| <u>Instalment</u> | <u>Final Date</u> |
|-------------------|-------------------|
| July 2017 | 31 August 2017 |
| August 2017 | 30 September 2017 |
| September 2017 | 31 October 2017 |
| October 2017 | 30 November 2017 |
| November 2017 | 31 December 2017 |
| December 2017 | 31 January 2018 |

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| | |
|----------------------|-------------------------|
| January 2018 | 29 February 2018 |
| February 2018 | 31 March 2018 |
| March 2018 | 30 April 2018 |
| April 2018 | 31 May 2018 |
| May 2018 | 30 June 2018 |
| June 2018 | 31 July 2018 |

- (e) That with effect from 1 July 2017, the proposed tariffs of charges as contained in the tariffs of charges be approved as follows:
- i. The tariffs for electricity
 - ii. The tariffs for the supply of water
 - iii. The tariffs for sanitation services
 - iv. The tariffs for solid waste services
 - v. The tariffs for under sundry revenue
- (f) That all the following budget related policies as per the Annexure (Annual Budget and Medium Term Revenue and Expenditure Framework 2017/18-2018/19 Book) submitted in terms of Section 7 of Municipal Budget and Reporting Regulations, be APPROVED:-
- i. Budget policy
 - ii. Virement policy
 - iii. Cash Management and Investment policy
 - iv. Funding and Reserves policy
 - v. Credit Control and Debt Collection policy
 - vi. Indigent policy
 - vii. Supply Chain Management policy
 - viii. Assets Management policy
 - ix. Grants policy
 - x. Insurance policy
 - xi. Borrowing policy
 - xii. Rates policy
- (g) That the proposed tariffs for other sundry services as contained in the tariffs of charges be effective from 1 July 2017.
- (h) That authority be granted to the City Manager (Acting) to submit the Approved Annual budget and Medium Term Revenue and Expenditure Framework 2017/18 to 2018/19 to the National and Provincial Treasury and all other relevant stakeholders.

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- (i) That authority be granted to the City Manager (Acting) to publish the Approved Annual budget and Medium term Revenue and Expenditure Framework 2017/18 to 2019/20 in terms of Chapter 4 of the Municipal Systems Act of 2000 (as amended).
- (j) That authority be granted to the City Manager (Acting) to publish the budget related policies on the Internet and in all municipal buildings.
- (k) That the City Manager (Acting) be authorised to contest the water increases with the Department of Water Affairs to fund their own losses.

Bongiwe Nxumalo

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**FOR: GENERAL MANAGER
(CORPORATE SERVICES)**

Enquiries: Ms Bongiwe Nxumalo

Telephone: 033-3922769

Facsimile: 0865610295

E-mail: Bongiwe.Nxumalo@msunduzi.gov.za

2.13 Municipal manager's quality certificate

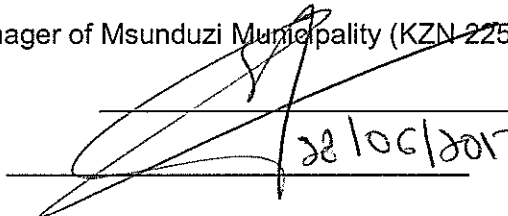
I Sizwe Hadebe, Municipal Manager of Msunduzi Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name Sizwe Hadebe

Municipal manager of Msunduzi Municipality (KZN 225)

Signature

Date


28/06/2017